

Cummings and other Members called for move in August

Washington, D.C. – Rep. Elijah E. Cummings, Ranking Member of the House Committee on Oversight and Government Reform, issued a statement today commending Fannie Mae and Freddie Mac for extending to 12 months the period during which unemployed Americans with mortgages owned or guaranteed by Fannie Mae or Freddie Mac may defer payments while they continue to look for employment.

“This change will help American families keep their homes while they look for work,” said Cummings. “Resolving the housing crisis is the key to rebuilding our economy. Fannie and Freddie have a statutory obligation to maximize assistance to homeowners, and they can meet this goal while protecting the interests of taxpayers.”

On August 1, 2011, Cummings led 27 Members of Congress [in sending a letter](#) that called on the Federal Housing Finance Agency and others agencies to “extend to twelve months the forbearance period for unemployed homeowners with mortgages owned or guaranteed by Fannie Mae or Freddie Mac.”

Over the last week, both Fannie Mae and Freddie Mac sent new guidance to mortgage servicing companies explaining that they may offer unemployed borrowers up to six months of forbearance on their mortgage payments without obtaining approval from Fannie or Freddie. If borrowers cannot find employment after the initial six month period, servicers may offer an additional six months of forbearance after obtaining approval.